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CONFERENCE ON AFRICAN-ARAB RELATIONS, MAY 2-3, 1980. (U)
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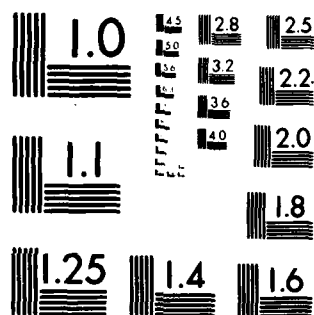
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⑥ CONFERENCE ON AFRICAN-ARAB RELATIONS,
May 2-3, 1980,

⑨ General Report,

⑮ DOS-1722-020150

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A. Summary

→ The two-day conference organized by INR and sponsored by two bureaus of the Department of State, the Bureau of African Affairs and the Bureau of Near Eastern and South Asian Affairs, covered a broad gamut of subject matter. Conceptually the conference was convened to address four broad subjects: cultural and institutional linkages between the Arab world and Black Africa; interregional security issues; Trans-Saharan ties and tensions; and evolving economic relationships, private, governmental, and multilateral.

The basic theme to emerge stressed the dichotomy between tension and cooperation which often characterizes Arab-Black-African relations. Tensions today are the legacy of history, inter-Arab conflicts, the Arab struggle for paramount influence in Sub-Saharan Africa, the ill effects of the rising cost of energy, and Black African disappointment with what is felt to be Arab parsimony in the provision of economic and financial assistance to hard-pressed African nations. At the opposite end of the spectrum, solidarity in the international arena on such issues as Palestine, South Africa, and Namibia suggest fertile areas for mutual cooperation. Moreover, the level of Arab aid to Africa is increasing, albeit after several faltering, uncertain initiatives by Arab investors.

On balance, the weight of evidence suggests that the contemporary Arab-

African connection is freighted with tension. It was the consensus of

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The conferees agreed that it is in the economic realm that a clear potential for constructive collaboration exists. In particular, stress was laid on the need to recycle petro-dollars, through trilateral arrangements where feasible; at the same time, the industrialized nations need to engage in greater risk taking, particularly with respect to equity participation; finally, if the U. S. is to assume a leadership role, it must intensify efforts to integrate its trade and investment policies in Africa. There is a need for a more coherent American conceptual approach, one that will integrate policies, strategies, and instruments to meet comprehensible and attainable objectives. The majority of conferees agreed that such a conceptual American policy framework is absent at this time.

In a seminal paper prepared by Dr. Dunstan M. Wai (The Rockefeller Foundation), the main areas of conflict and cooperation between Arab and

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Black Africa were identified and analyzed. Five "issues" were outlined: 1) economic distribution; 2) ideological competition; 3) cultural estrangement; 4) security imperatives; and 5) religious differences. The twelve centuries of contact between Sub-Saharan Africa and the Arab Middle East have been "asymmetrical." Arabs have penetrated Africa, enslaved its inhabitants, and imparted their religion (Islam) and culture to them. There has been little, if any, counterpenetration of the Arab region. "The net result has been African and Arab disdain for each other."

It could be argued that in essence there are no common elements to be found in Africanism and Arabism: the two value systems as products of the social structures and environments of Africans and Arabs are completely different. Furthermore, the impact of European culture on Africa is considerably greater than that of Arab culture. Although there are more African Moslems than African Christians, the combined groups number significantly less than those Africans who hold to traditional religious beliefs.

At present the OAU is not a viable organization for fostering Arab-African relations. Professor Ali Mazrui is correct when he observes that the OAU is "becoming a mechanism by which the Arabs can politically influence Black Africans." On the other hand, some efforts have been made by Africans to use the OAU as a mechanism for seeking "economic concessions" from Arab oil producing states--however, with only marginal success to date. The question was raised as to whether the OAU should become an exclusively Black African "political organization," with Arabs and Africans pursuing common or parallel political and economic concerns outside such existing regional forums as the OAU and the Arab League.

What, then, is the likelihood of effective future African cooperation, particularly in the political realm?

...the claim of African-Arab brotherhood is a myth. There are no bases for the development of a firm and comprehensive political

solidarity between Africa and the Arab Middle East. First, the geographical proximity of the two regions has not led to a wider knowledge amongst peoples of their respective cultures. Second, differences in values between Africans and Arabs coupled with divergent ideological orientations hinder political understanding, communications, and pursuits. Third, Arab concerns in Africa--for example, their support for Somalia against Ethiopia, their backing of Moslem Chadians against the central authority in Ndjamea and, above all, their enthusiastic help for General Amin in Uganda--are abhorred in Black Africa. Fourth, African-Arab regimes are chronically unstable...and hence African and Arab leaders are chiefly concerned with maintaining themselves in power and pay only lip service to regional cooperation. Fifth, so far as the Arab and African countries are not united within their own regions...the idea of African-Arab interregional unity is farfetched....

On the economic plain, the outlook for cooperation is equally guarded.

The Asian Arab states which command the bulk of surplus petrodollars "look at investment risks with growing conservatism rather than dynamism." They probably will continue to channel investment funds into promising projects in the OECD countries rather than risk substantial sums in inherently unstable African areas. In the period immediately ahead, the disappointment of African hopes and expectations is likely to mount because Arab investors are oriented towards capital-intensive projects, whereas the basic African need is for labor-intensive schemes.

In order to alter this pattern, there must be a more unfettered flow of ideas and basic communications between the Arab and African worlds. Relations, in brief, must be horizontal as well as vertical. Arab state members of the OAU should establish yet closer and more effective ties with Black Africa, in an effort to develop agreed purposes, goals, strategies, and ideologies. Islam could also serve as a cohesive force as it spreads in Sub-Saharan Africa. A shared pattern of beliefs, a common world view based on Islam, and spiritual solidarity could contribute significantly to the ongoing processes of consensus building.

A somewhat more cautious view was offered by one participant regarding prospects for shared values and commonality of policies. Nationalism is a potent force in contemporary Africa and impedes efforts to fashion ties of solidarity based on religion. Moreover, the international community is entering a renewed period of superpower rivalries which, when acted out in Africa, could intensify local rivalries and multiply existing ideological and political divisions. At present, it is not clear whether, from the U. S. perspective, we should be looking for African "proxies" or should be reticent in involving ourselves in local conflicts. Nor is Islam a force which necessarily serves as a bulwark against the spread of communism. The view was posited that traditional values in African societies may be more resilient and lasting. Indeed, as a result, African societies may enter the modern world more rapidly than their Arab counterparts, and with less political upheaval and social trauma. This view was strongly contested by several specialists who contended that Islam is a flexible religion, one capable of adapting rapidly to the forces of secularism and "modernism."

Sudan was portrayed as a testing ground for accommodation and cooperation between Arab-Moslem societies and African-non-Moslem peoples. What failures at cooperation have crystallized were attributed to the infirmities and weaknesses of leadership in post-independence Sudan rather than to ethno-cultural differences and latent rivalries.

C. Security Issues

As we enter the decade of the 1980's, American foreign policy is undergoing a period of critical re-examination. Crises in the Persian Gulf, the Soviet invasion of Afghanistan, the instabilities of Southeast Asia and the

Caribbean, together with profound economic concerns at home, have all contributed to the need for such a reappraisal. American policies and postures with respect to Africa will undoubtedly be a part of this review. For the African continent is the scene of growing turbulence, as well as the object of Soviet arms diplomacy. Pressures are mounting from various African and Arab governments for increased U. S. arms aid and for security supporting assistance to meet what these governments feel are serious threats to their national interest.

The growing sense of insecurity that pervades Africa today reflects three broad types of violence. As Professor Ali Mazrui has observed, the first involves violence "arising from the effort to define the proper boundaries of a political community"; a second is concerned with redefining "the purposes and policies of a political community whose boundaries are acceptable to the contenders"; the third is the product of broad environmental factors, such as the "spillover" effect of internal conflicts and the intrusion of non-African forces in local conflicts. The depression of prices for African products on the international market, or a dramatic rise in energy costs as occurred in 1979, are examples of environmental elements that have a significant impact on the equilibrium of local economic and political forces.

As these forms of violence have widened in Africa, several illusions have been shattered. The regional institutions established shortly after most African nations cut their colonial moorings have proved powerless to resolve burgeoning disputes and conflicts. Most lack the resources, human and material, needed to play an effective peacekeeping role. A second by-product has been a general weakening of Africa's capacity to resist the

intrusion of external forces in local conflicts--which has further contributed to the destabilization of the area and added to the dimensions of conflict. In the process, because of the pauperization of an increasing number of African economies, dependency on non-African sources of support and clientism have assumed heightened importance. Finally, almost willy-nilly, various sub-regions of the continent have become enmeshed in the politics and rivalries of adjacent sub-regions--e.g., the Horn in the Persian Gulf, the Western Sahara in the Middle East equation, Chad in an enlarged struggle between Arabs and Arabized nomads on the one hand and Black Africans who, until recently, controlled decision making processes in the once thriving capital of Ndjamena. It would appear at this juncture that all of the fissiparous forces that have been unleashed in recent years threaten to overwhelm African capabilities to resist unless major initiatives are launched both from within the continent and from elsewhere to buttress local capacities to cope with conflicts through non-violent means.

In the more than three decades since World War II, one constant in American policy toward Africa has been the tendency of planners to think of Africa as either an appendage of United States security interests in Western Europe, the Middle East, or Asia. The long periods of benign neglect, punctuated by our interventions in the Congo in the 1960's and in Angola in 1975, can only be understood in this contextual framework. The Carter Administration, however, shifted the focus and emphasis of American policy in 1977--we began to deal with Africa and its unfolding problems within an essentially African framework. As a result, there has been a growing breadth and depth to our relations with the African continent.

Unfortunately, this initial Administration posture has been overtaken by events. Unfolding crises in the Horn region, in Uganda, Chad, the Western Sahara, and elsewhere all attest to the need for a reappraisal of all basic assumptions, premises, and presuppositions of American policy toward Africa. Nothing so illustrates the complexity and difficulty of such a reappraisal as the issue of Arab influence in Sub-Saharan Africa, its causes, implications, and likely consequences.

The dimensions of Arab-Black African relationships are both broad and replete with numerous contradictions. Historically, Arab relations with Black Africa, prior to the colonial interregnum, were essentially exploitive, and the psychological complexes and scars remain to this day below the Sahara. Nevertheless, Islam is on the march in much of the area, bringing fresh conversions on a widening scale. Twenty-five years ago, informed observers estimated that one in five, perhaps one in four, Africans was an avowed Moslem. G. H. Jansen contends that, twenty years earlier, the number of African Moslems had doubled. By the mid-1980's, fully one-half of Africa's population is expected to be Moslem. Paradoxically, however, conversion to Islam has produced little unity among the peoples involved--just as Christianity is not a unifying force in Europe or Latin America. What bonds of unity exist are primarily the product of shared political beliefs, common ideologies, and programmatic goals, or the exigencies of local circumstance. Thus, many African leaders share with their Arab counterparts a basic consensus on North-South issues, Palestinian autonomy, an end to "White Redoubt" regimes in southern Africa, and a host of related considerations. However, they will often diverge on the priority to be assigned, the tactics to be adopted, and the resources to be allocated.

Nor is there any coherence or unity in Arab ranks on many of these issues. The Maghrebian states will often adopt positions on African issues that set them apart from their Near Eastern counterparts. Because of their membership in the OAU, as well as the Arab League, they benefit (or suffer) from a form of split policy vision concerning goals and objectives. Nor are their own foreign policy purposes mutually compatible--Colonel Qaddafi is increasingly at odds with his North African colleagues, pursuing personal ambitions that are destabilizing both in the Maghreb and in Sub-Saharan Africa.

How, then, to evaluate the contribution of the Arab world to African political order and stability? The arrows of evaluation point in several directions, thus adding to our own concerns and doubts.

Divisions within Arab ranks have added to the anxieties of other African states, and have further eroded earlier African expectations that solidarity will accord them increased weight in Third World councils. The Arab-African summit conference scheduled to convene at Tripoli (Libya) in January 1980 aborted because of inter-Arab wrangling over the acceptance of an Egyptian delegation (Qaddafi refused to seat the Egyptians) and led many black African representatives to withdraw from the scheduled meetings. The rift reflected the disinclination of most Black Africans to become embroiled in Arab rivalries. Even more significant, their unhappiness with recent Arab performance has led some to accord serious consideration to the re-establishment of diplomatic ties with Israel, which twenty-eight nations had severed after the 1973 Yom Kippur War.

Black Africa has ample reason to ponder the future course of its relations with the Arab world. In recent years, several Arab nations have embarked on foreign policy initiatives which pose serious challenges to

the stability of Africa and the viability of established principles of the OAU. To return to the classificatory scheme of political violence outlined by Ali Mazrui--over the definition of political boundaries of a community, over the purposes and policies of the community, and as a result of pressures emanating from the wider environment in which a community must function--we can detect the following challenges to the existing African political system:

- Broader Assertion of the Principle of Self-Determination. In Eritrea, in Chad and the Western Sahara, the principle of self-determination has been adopted to support secessionist or liberation movements. Support for such movements emanates from a wide array of Arab states. Their eventual success threatens the political fragmentation of the entire Saharan-Sahelian belt extending from Mauritania in the west to Ethiopia in the east.
- Broader Assertion of the Principle of National Identity. It is only a brief step from the assertion of the self-determination principle to advocacy for nationhood predicated on ethnic nationalism. As has been demonstrated in Ethiopia, Chad and elsewhere, ruling ethnic minorities cannot claim the loyalty of other minorities short of outright political repression. When a gross and consistent pattern of human rights violations emerges, ample justification exists for repressed peoples to resist and to assert their inherent right to life, liberty and pursuit of their own distinct brand of happiness.
- Broader Assertion of the Right to Resist Colonization. The colonial period in Africa is not yet at an end. New colonialist forces are

operating--to wit, Morocco's annexationist impulses in the Sahara. These need to be resisted, according to Algiers and Tripoli, and the peoples concerned afforded an opportunity to express their political preferences (just as in southern Africa). But, will the principle of self-determination lead to: 1) the emergence of feeble microstates? or 2) the enlargement of Saharan nomadic claims to similar rights in Mali, Niger, Algeria, and Mauritania?

—Broader Assertion of the Right to Protect Legitimate African Governments. Each government, according to the covenants and conventions of international law, has the right to protect the sovereignty of the nation by seeking external assistance at times of national emergency. Thus, French military aid to Francophone African states, and Soviet-Cuban assistance to Angola and Ethiopia, would appear to be within the bounds of legal propriety. How then should Africans respond to Qaddafi's support for Idi Amin? Or, his assistance to Emperor Bokassa prior to his fall from grace?

Yet broader security questions arise from this melange of principles and postures. When certain leaders lose their legitimacy in the eyes of neighbors or essential protectors, are efforts to topple these leaders with instruments of coercion equally warranted and supportable? The overthrow of Bokassa was widely applauded, but French intervention raises serious issues of precedent. For, if a reasonable case can be made for the termination of repressive rule by what might be argued was a certifiable mad-man, could the same right not be applied elsewhere? For example, the critical role played by Tanzanian military forces in removing Idi

Amin (again, widely applauded in some circles) appeared justified by the circumstances of the initial Ugandan invasion of the Kagera sector. Justifications for intervention will always abound. Qaddafi's support for rebel forces in Chad is defended in Tripoli on the grounds that Arabized Moslems were being repressed and disadvantaged by a despotic black government at Ndjamena.

The reasons for violent intervention are clearly limitless. Qaddafi's support for the Gafsa raid in Tunisia (February 1980) was probably predicated on the ideological impurities of the Bourguiba regime. His support for tribal, ethnic and religious fundamentalist groups elsewhere in Africa all appear within the bounds of acceptable behavior, for in the estimation of the Colonel, Africa is a battleground between Western and Zionist imperialism on the one hand and local fundamentally anti-imperialist forces on the other.

Mr. Colin Legum, on the other hand, perceived several areas of overlapping interests which make for meaningful cooperation: 1) geographic proximity--since it is not possible to draw any precise political line between "the Arab world" and "the African world"; 2) a common interest in security; 3) common support for the right of Palestinians to have a state of their own; 4) common support for liberation movements in southern Africa; 5) the growing effort to fashion institutions to promote economic cooperation. At the same time, it was observed that no military links exist between the two regions, nor does there seem to be any likelihood of these developing.

The implications of these trends were charted in the following terms:

1) Afro-Arab economic relations can be advanced more positively by developing Western-Arab-African joint projects along the lines already initiated by the EEC.

2) African support can be mobilized behind the current Middle East peace initiative if real progress can be achieved in the autonomy talks envisaged by the Camp David accords.

3) Development of U. S. military facilities in Africa can produce strongly negative political reactions. This is also true of a naval build-up in the Indian Ocean. Diego Garcia could become a point of acute controversy.

4) There is an undoubted increase in the level of military support given by Soviet bloc countries (notably East Germany, as well as Russia) and Cuba to meet specific African security needs. The question is how this build-up of military aid can be offset, or better still, alternatives provided without increasing fears about American military intervention in the continent.

5) Restoring U. S. credibility in African and Arab eyes is clearly of major importance; but how to achieve this without contributing to the arms race in the two regions, or establishing a high-profile U. S. military presence, is obviously of key importance.

6) Encouragement of Israel to demonstrate positively that it is not engaged in military deals of any kind with South Africa would contribute towards restoring African diplomatic relations with Israel and so be supportive of Sadat's position.

7) Africa's preoccupation with a resolution of the South African crisis cannot be exaggerated, whether in the context of this paper or in

any other international context.

8) A point not covered in this paper: despite a wide belief that the Soviet bloc is expanding its influence in Africa, the conflicting evidence is that more African countries (including those with professed Marxist regimes) today accept that only the U. S. and its Western allies can give them the kind of economic and technical aid they need to overcome their worsening economic problems.

9) The need for an international plan to deal with the consequences of the continuing rise of oil prices, both on Western and Third World economies, is perhaps the top priority on any international agenda. But who speaks about it?

On the Horn region, Professor Tom Farer offered a number of cautionary observations regarding the strategic importance of the area. He concluded that air and naval facilities on the Horn are not essential either for the Soviet Union or for the United States in connection with various more and less credible conflict scenarios for the Persian Gulf and the Indian Ocean. Horn and PDRY facilities are important though not essential to the Soviet mission of maintaining a prestige-enhancing naval presence.

As the Soviet Union can project air power and airborne troops from bases on its own territory and possibly Afghanistan, the United States could strike from land bases in Israel and Egypt. But present plans seem to visualize naval forces as the principal instrument of U. S. intervention except, perhaps, in case of a direct Soviet thrust against the oil fields. A sustained and substantial U. S. naval presence practically requires shore facilities in the Indian Ocean. The availability of Diego Garcia, Mombassa,

and Oman reduce facilities on the Horn to a useful but inessential role. And reliance on them will be restrained by the potential divergence of Arab and American interests.

D. Arab Investment in Africa

Mr. Norman Vander Clute presented a generally grim assessment of Arab private sector investment in Africa. Using the Arab Persian Gulf area as his base reference point, he outlined the performance record of mixed investment, private company ventures, and initiatives by individual investors. The major Kinana sugar project in Sudan has lagged badly and, as a result, has been converted into a public sector project; the Kuwait United Fisheries effort in West Africa has gotten off to an unpromising start; the Kuwait Hotel Company venture in Khartoum has not yielded anticipated dividends, nor has a poultry scheme in Sudan proved "dramatically successful."

The basic reasons for the absence of significant Gulf investment efforts in Africa can be attributed to a wide complex of factors: 1) the limited number of private sector entrepreneurs in the Gulf area; 2) the limited experience in Africa of existing entrepreneurs; 3) their understandable inclination to invest closer at home where they have more depth of experience; 4) their ability to secure unique concessions in the Gulf area; 5) the lure of low taxes, a common culture, and national pride; and 6) the lack of interest exhibited by most in the manufacturing sector. There is a marked preference for investment in real estate, particularly land, hotels, and other buildings. In addition, Arab investors, many of whom manifest a degree of patronizing benevolence when dealing with Black African governments, are put off by confusion, long delays, overly ambitious schemes, and

"corruption" when dealing with their African counterparts. In short, African performance is viewed as erratic and unpromising. As a result, it would be realistic to anticipate only a limited involvement of the Arab private sector in future African economic ventures.

Professor Jeswald W. Salacuse projected an equally bleak picture.

Arab capital faces many of the same obstacles encountered by Western firms in undertaking investments in Africa, including political instability, bureaucratic inertia, lack of infra-structure, inadequacy of local financial institutions, and excessive government control over economic activity. But because Arab capital emanates from state and government sources, it may seek to protect itself through agreements with the host country that grant it rights and privileges usually reserved for foreign governments and not ordinarily available to the private foreign investor.

At the same time, Arab investment in Africa faces many problems not faced by investment from the West. One of the most significant of these is the lack of appropriate economic and financial institutions within the capital-exporting states themselves. Financial institutions, as Raymond Goldsmith has suggested, "facilitate the migration of funds to the best user," and it is only recently that the Arab states have begun to develop institutions to facilitate the migration of funds to Africa for investment purposes.

While the Arab world has created numerous aid institutions, most notably its new development funds, it still has few institutions devoted to commercial investment and finance in Africa. This relative lack of institutionalization of Arab capital has meant that Arab capital sources generally do not possess the technology, management skills, or access to world markets

necessary to undertake investment projects on the African continent. Indeed, many Arab financial organizations do not have sufficient capacity even to identify and evaluate investment proposals that might be pursued. Since the host countries themselves may also be unable to provide these elements and since the industrialized countries do possess them, it has been argued that the most appropriate vehicle for the investment of Arab funds in Africa and the developing world is the "trilateral venture" uniting Arab capital, Western know-how, and host country manpower and resources in a single productive enterprise.

Trilateralism is clearly not a magic formula that will obliterate the constraints and bottlenecks impeding the mobilization and investment of Arab capital in Africa. Indeed, those constraints will probably limit severely the investment of Arab capital in Africa for some time to come. On the other hand, it would appear that increased Arab investment in Africa will result in increased trade and investment opportunities for American firms. Little evidence exists to suggest that Arab capital has deprived U. S. companies of investment opportunities that they might otherwise have had.

The constraints on the formulation of trilateral ventures may ease as American and Western firms gain more knowledge about Arab capital sources, and as the institutionalization of Arab capital progresses with its concomitant development of professional skills, particularly with respect to project identification, preparation, analysis, and management. Through increased knowledge and interaction, the three sides may gain a more accurate and realistic understanding of each other's objectives and capabilities and thereby lay a more solid foundation for trilateralism in Africa.

African governments may be able to advance this process by formulating specific project proposals and promoting such projects among the Arab financial institutions. If a project has the active endorsement of the host country, it is likely to receive a far better hearing by Arab capital institutions than if a Western firm appears to be its sole sponsor.

Arab, African, and Western governments might attempt to use the tri-lateral concept as a basis for development cooperation in Africa and for fostering increased resource transfers to the continent.

Arab, African, and Western governments and institutions might explore the possibilities of improving opportunities for trilateralism through co-operative programs aimed at easing some of the bottlenecks and constraints now inhibiting Arab capital investment in productive projects in Africa. For example, they might create an organization to undertake feasibility studies and prepare investment projects. The resulting organization, as compensation for its work, might receive a participation in the projects it prepared, and through this process eventually become self-sustaining.

Arab, African, and Western governments and institutions together might also seek to organize training programs aimed at increasing the level of African skills, as well as those of the oil countries themselves, with respect to investment planning, analysis, negotiation, and management.

The possibilities of trilateral cooperative action are numerous; however, an indispensable condition precedent to their realization is an effective means of dialogue among the three sides. It would seem that the likelihood of fruitful discussion would be much improved if the African states with U. S. encouragement took the lead in trying to establish and

promote such dialogue. An initial step toward this end might consist of a series of meetings or conferences in Africa at which the three sides might explore means for trilateral cooperation in such areas as project planning, preparation, and management.

E. Economic Relations: Another Overview

Mr. Chedli Ayari, President and Managing Director of the Arab Bank for Economic Development in Africa (Khartoum), reported on the recent African Economic Summit Meeting which he had attended. The needs in Africa for economic development are many and complex. However, Mr. Ayari observed progress in Arab-African economic cooperation is not unimpressive. The flow of Arab assistance to Africa--currently pegged at \$4.5 billion--is slowly growing; approximately two-thirds of this aid is being provided in the form of grants; on a GNP basis, the aid is ten times more than the level of official assistance offered through the OECD. According to Mr. Ayari, this Arab aid comes with no political strings attached, reflects an Arab view that theirs is a shared destiny with Africa, and underscores the Arab desire to serve as a partner with Africans rather than as mere bankers. He estimated that this relationship would grow over the coming decade, and that a close and mutually advantageous association would materialize.

Mr. Abdo Baaklini presented a somewhat more cautious assessment.

Eight patterns of economic interactions, their scope and characteristics, as well as their economic impact, were identified and discussed. These patterns are identified by the type of institutions that take the leading role in determining who gets what and how much. Economic aid is dispensed through political institutions (the ruling families and the Cabinet), national bilateral funds, multi-lateral newly established funds,

existing multi-national and international funds, joint government-private ventures, private investments, government investment and bureaucratic developmental expenditures.

There are two generalizations that appear to hold true. The first is that Arab aid to Africa appears to have no positive contribution to the economies of the oil producing countries. It represents a net outflow on their limited and temporary financial resources. The second is that in all the economic patterns of the oil-producing countries, the economies of the industrialized countries are always the primary beneficiaries.

The impact of Arab aid to Africa or to the economies of the recipient country, while overall positive, falls short, nonetheless, of the needs of African societies.

For economic reasons Arab aid to Africa not only is a direct contribution to economies of the African countries, but also contributes to the U. S. and other Western economies. It is therefore in the interest of the U. S. to encourage the contribution and expansion of this aid. The real question becomes what the U. S. can do to encourage such a development and to make it profitable to the oil producers to continue in such a relationship. The fear is that since the oil-producing countries are unable to benefit economically from their economic relation with Africa, they may either terminate it or, as is the case now, slow it down. What can be done is a subject that requires further exploration.

The relevance of Arab aid to Africa is unquestionable regardless of its motives or volume. It is untied, flexible, and represents cash flow to the recipient country. Unlike other bilateral or international aid,

Arab aid does not represent a development ideology or institutional prerequisite. The recipient countries are able to use the aid to attract other international financing. Arab aid was successfully used by African countries to extract bilateral and multilateral concessions from industrialized countries and international institutions respectively.

Its basic weakness, however, is its transitory nature as the various tables show; the volume of aid is either stabilizing or decreasing to both Africa and other Arab and non-Arab countries. The GNP's of OPEC countries, if compared to those of industrialized countries, are stabilizing, while their development needs are increasing. Their oil production has either stabilized or declined. Arab OPEC aid has failed to stimulate local production. It represents net outflow of resources. Internal and Arab pressure on oil-producing countries will be such that aid will be curtailed or limited to internal development and some Arab countries. The challenge as I see it is to persuade the Arabs to continue their aid. Two strategies are logically feasible. One is to entice them by offering positive gains, political or economic; the other is to scare them by creating political or security problems for them. In the short and the long run the first strategy of positive inducement is preferable.

F. General Discussion

A number of issues and themes emerged during the two-day conference which merit attention. These are presented below in capsule form for possible future examination and possible debate.

- 1) The U. S. government needs to develop a total economic relationship strategy for Africa, one that draws together our agencies and institutions

concerned with aid, trade, private investment, and security assistance. At present, our economic ties with Africa are slender, our programs lack coherence, and we have yet to fashion the type of approach that accords U. S. protestations of support for Africa's economic requirements a high degree of credibility.

2) The U. S. government should avoid, where possible, returning to its policies of the 1960's and 1970's when the continent was regarded as a political-military means for achieving Cold War ends. The "parcellization" of the continent along globalist lines to achieve short-term goals in the Mediterranean and Persian Gulf areas could compound other policy problems in the African region as a whole.

3) Congress should be more deeply involved in the formulation of new policies and assistance strategies for Africa. Without a durable Executive-Congressional consensus, policy coherence will not be an attainable goal.

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